

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C.
20508**

USTR PRESS RELEASES ARE AVAILABLE ON THE USTR HOME PAGE AT WWW.USTR.GOV.
THEY ARE ALSO AVAILABLE THROUGH THE USTR FAX RETRIEVAL SYSTEM AT 202-395-4809.

**FOR IMMEDIATE RELEASE
FRIDAY, MARCH 12, 1999**

**99 - 21
CONTACT: JAY ZIEGLER
HELAINE KLASKY
AMY STILWELL
(202) 395-3230**

**UNITED STATES COSPONSORING WTO INITIATIVE TO
ELIMINATE ENVIRONMENTALLY-DAMAGING FISHERIES SUBSIDIES**

The United States, in conjunction with four other countries, today called for the World Trade Organization (WTO) to address the critical problem of environmentally-damaging fisheries subsidies, United States Trade Representative Charlene Barshefsky announced.

“The Clinton Administration is committed to expanding trade in a manner that benefits the environment. Clearly, this is an area in which doing the right thing for the environment is also doing the right thing for the trading system,” Ambassador Barshefsky stated.

Ambassador Barshefsky went on to say that, “We are excited by the opportunity to take action within the WTO that could provide clear benefits for the global environment, and we encourage other governments to join us in these efforts.”

The United States was joined by Australia, Iceland, New Zealand and the Philippines in urging other members of the WTO “to make an early commitment to progressively eliminate fisheries subsidies that contribute to fisheries overcapacity, in view of their environmentally damaging and trade distorting effects, and to pursue work in the WTO aimed at achieving the reduction and elimination of such subsidies.” The call for action was issued on the eve of a March 15-16 High Level Symposium on Trade and Environment being convened by the WTO in Geneva, which will be attended by representatives of WTO governments, environmental groups, and business representatives from around the world. The U.S. delegation will include Susan Esserman, Deputy U.S. Trade Representative Designate; Frank Loy, Undersecretary of State for Global Affairs; Peter Robertson, EPA Acting Deputy Administrator; and Terry Garcia, Assistant Secretary of Commerce for Oceans and Atmosphere; as well as other senior agency and White House Officials.

Assistant Secretary of Commerce for Oceans and Atmosphere Terry Garcia said, “Fisheries stocks are in decline worldwide. Put simply, too many boats are chasing too few fish. We need to improve the balance between the fishing industry’s productive capacity and the availability of fish.

This must be done by eliminating government subsidies that contribute to overfishing worldwide.”

Background

The World Trade Organization’s High-Level Meeting on Trade and Environment will be held in Geneva on March 15-16, 1999. President Clinton called on the WTO to organize such a meeting during his address to the May 1998 Ministerial Conference of the WTO. The High-Level Meeting will consist of a dialogue among senior officials from trade and environment ministries, as well as representatives of non-governmental organizations, the business community, relevant international organizations (such as UNEP, UNCTAD, UNDP, and the World Bank), and invited academic speakers. Participants will engage in an open exchange of views on the trade and environment relationship, environmental protection, and sustainable development. The meeting will be chaired by WTO Director-General Ruggiero, and will be followed by a High-Level Meeting on Trade and Development on March 17-18, 1998.

There are many indications that fishing efforts and harvesting capacity are at excessive levels, and must be restrained to avoid depleting global fisheries stocks. It is also clear that government subsidies that increase harvesting operations and capacity are a major contributing factor in these problems. A recent study published by the World Bank estimates that \$US 11-20 billion of environmentally-harmful subsidies are being granted each year by governments around the world to the fisheries sector. This amounts comprises 20 to 25 percent of global fisheries revenues

The UN Food and Agriculture Organization, as well as a number of environmental groups, have highlighted the need to eliminate subsidies that contribute to overfishing. Because such subsidies also distort trade by reducing harvesting costs and placing downward pressure on world seafood prices, U.S. trade and environmental officials believe that the WTO could play a constructive role in encouraging governments to reduce or eliminate these subsidies.